

Child Welfare

Analyst: Castro

Historical Summary

OPERATING BUDGET	FY 2008 Total App	FY 2008 Actual	FY 2009 Approp	FY 2010 Request	FY 2010 Gov Rec
BY PROGRAM					
Child Welfare	32,369,900	30,247,100	33,390,300	34,806,600	32,252,700
Foster & Assistance Payments	28,290,200	26,178,700	27,382,700	28,093,500	26,311,900
Total:	60,660,100	56,425,800	60,773,000	62,900,100	58,564,600
BY FUND CATEGORY					
General	25,882,400	23,767,000	26,797,600	28,249,200	24,534,400
Dedicated	772,500	772,500	872,200	1,051,600	1,346,000
Federal	34,005,200	31,886,300	33,103,200	33,599,300	32,684,200
Total:	60,660,100	56,425,800	60,773,000	62,900,100	58,564,600
Percent Change:		(7.0%)	7.7%	3.5%	(3.6%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	23,232,600	21,853,400	24,768,700	25,311,400	23,786,400
Operating Expenditures	8,101,900	7,331,500	8,265,500	8,941,700	8,466,300
Capital Outlay	1,035,400	1,075,700	356,100	553,500	0
Trustee/Benefit	28,290,200	26,165,200	27,382,700	28,093,500	26,311,900
Total:	60,660,100	56,425,800	60,773,000	62,900,100	58,564,600
Full-Time Positions (FTP)	383.44	382.17	398.17	392.67	392.67

Division Description

The child welfare program is responsible for child protection, foster care, and adoptions. The funding for children's mental health was transferred to its own program beginning in fiscal year 2006. In fiscal year 2008 the child welfare budget was split into two programs: child welfare, and foster & assistance payments. The child welfare program budget is responsible for the operating costs of the program including personnel, operating, and capital expenditures. The foster & assistance payments program is trustee & benefits funding for services or items purchased directly for children in the child welfare system.

Child Welfare

Comparative Summary

Analyst: Castro

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2009 Original Appropriation	398.17	13,778,500	33,390,300	398.17	13,778,500	33,390,300
Reappropriation	0.00	1,278,500	1,278,500	0.00	1,278,500	1,278,500
3. Increase in Child Welfare Receipts	0.00	0	30,100	0.00	0	20,000
Omnibus Rescission	0.00	0	0	0.00	(789,100)	(916,900)
Omnibus Supplemental	0.00	0	0	0.00	0	410,200
Health Insurance Reduction	0.00	0	0	0.00	(93,200)	(199,000)
FY 2009 Total Appropriation	398.17	15,057,000	34,698,900	398.17	14,174,700	33,983,100
Noncognizable Funds and Transfers	0.50	0	(173,600)	0.50	0	(173,600)
Expenditure Adjustments	0.00	(1,278,500)	(1,278,500)	0.00	(1,278,500)	(1,278,500)
FY 2009 Estimated Expenditures	398.67	13,778,500	33,246,800	398.67	12,896,200	32,531,000
Removal of One-Time Expenditures	0.00	(228,200)	(356,100)	0.00	(228,200)	(356,100)
Base Adjustments	(6.00)	(141,300)	(560,200)	(6.00)	(139,700)	(554,200)
Additional Base Adjustment	0.00	0	0	0.00	(149,700)	80,000
FY 2010 Base	392.67	13,409,000	32,330,500	392.67	12,378,600	31,700,700
Benefit Costs	0.00	303,600	351,100	0.00	104,800	152,100
Inflationary Adjustments	0.00	383,000	441,300	0.00	0	0
Replacement Items	0.00	297,500	553,500	0.00	0	0
Statewide Cost Allocation	0.00	300	1,400	0.00	300	1,400
Change in Employee Compensation	0.00	630,500	730,300	0.00	0	0
FY 2010 Program Maintenance	392.67	15,023,900	34,408,100	392.67	12,483,700	31,854,200
10. Expanding Academy Training	0.00	0	398,500	0.00	0	398,500
FY 2010 Total	392.67	15,023,900	34,806,600	392.67	12,483,700	32,252,700
Change from Original Appropriation	(5.50)	1,245,400	1,416,300	(5.50)	(1,294,800)	(1,137,600)
% Change from Original Appropriation		9.0%	4.2%		(9.4%)	(3.4%)

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2009 Original Appropriation	398.17	13,778,500	96,200	19,515,600	33,390,300

Reappropriation

The General Fund reappropriation of \$1,278,500 represents unspent monies that were budgeted for reversion after the end of the fiscal year. Spending authority is removed in an FY 2009 expenditure adjustment.

Agency Request	0.00	1,278,500	0	0	1,278,500
Governor's Recommendation	0.00	1,278,500	0	0	1,278,500

3. Increase in Child Welfare Receipts

Child Welfare is requesting \$291,800 in supplemental spending authority for projected receipts above the legislative appropriation amount; \$30,100 of the increase would be in Child Welfare program with the remaining \$261,700 in Foster Care & Assistance Payment program. The current receipt appropriation in Child Welfare is \$92,200 and the projected collections are \$122,300, resulting in \$30,100 of the receipt request. Current receipt appropriation in Foster Care Assistance is \$680,300 with anticipated collections to be \$942,000, resulting in \$261,700 of the receipt request.

The anticipated higher receipts are mainly due to two areas:

1) Casey family donations of \$200,000. The FY 2009 appropriation included \$95,700 of one-time receipts from the Casey donation, therefore the department is requesting the additional \$104,300 spending authority for the difference.

2) Individual payments. The department receives child support and social security for those children that are eligible. These payments are deposited into a trust fund for the child. However, these payments are usually not received at the same time the child is in foster care. Therefore, the state has paid for costs that need to be reimbursed by the trust. The child support and social security receipts have been increasing so the department is able to cover the expenses the state has paid on the child's behalf. The department estimates \$187,500 will cover this increase in receipts due to individual payments.

Agency Request	0.00	0	30,100	0	30,100
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The Governor recommends \$20,000 in spending authority for Casey Family Foundation contributions. The Governor also recommends an increase in dedicated fund spending authority offset by reductions in the General Fund and federal funds because the department has additional dedicated funds available from contributions from Casey Family Foundation and higher than anticipated collections in child support and social security income payments.

Governor's Recommendation	0.00	0	20,000	0	20,000
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Omnibus Rescission

Agency Request	0.00	0	0	0	0
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General Fund holdbacks, as directed by Executive Orders 2008-3, and 2008-5, are incorporated as a rescission that reduces the General Fund by 4% for FY 2009.

Governor's Recommendation	0.00	(789,100)	0	(127,800)	(916,900)
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Omnibus Supplemental

Agency Request	0.00	0	0	0	0
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The Governor recommends offsetting the General Fund reduction with \$410,200 in excess TANF funds.

Governor's Recommendation	0.00	0	0	410,200	410,200
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Health Insurance Reduction

Agency Request	0.00	0	0	0	0
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The Governor recommends reducing the funding for health insurance by \$500 per FTP, using reserves to offset the increased costs of health insurance for the state for FY 2009 and FY 2010.

Governor's Recommendation	0.00	(93,200)	(700)	(105,100)	(199,000)
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FY 2009 Total Appropriation					
Agency Request	398.17	15,057,000	126,300	19,515,600	34,698,900
Governor's Recommendation	398.17	14,174,700	115,500	19,692,900	33,983,100

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Noncognizable Funds and Transfers					
Transfers in 0.5 FTP and transfers out budgeted personnel costs by \$93,600 and operating expenditures by \$80,000 to services for the Developmentally Disabled.					
Agency Request	0.50	0	0	(173,600)	(173,600)
Governor's Recommendation	0.50	0	0	(173,600)	(173,600)
Expenditure Adjustments					
Removes General Fund reappropriation.					
Agency Request	0.00	(1,278,500)	0	0	(1,278,500)
Governor's Recommendation	0.00	(1,278,500)	0	0	(1,278,500)
FY 2009 Estimated Expenditures					
Agency Request	398.67	13,778,500	126,300	19,342,000	33,246,800
Governor's Recommendation	398.67	12,896,200	115,500	19,519,300	32,531,000
Removal of One-Time Expenditures					
Agency Request	0.00	(228,200)	0	(127,900)	(356,100)
Governor's Recommendation	0.00	(228,200)	0	(127,900)	(356,100)
Base Adjustments					
Transfers funding for the Idaho Careline from the Child Welfare program to the Service Integration program.					
Agency Request	(6.00)	(141,300)	(21,300)	(397,600)	(560,200)
Governor's Recommendation	(6.00)	(139,700)	(21,100)	(393,400)	(554,200)
Additional Base Adjustment					
Agency Request	0.00	0	0	0	0
The Governor recommends an ongoing base reduction to balance the state budget. This represents an additional 2.9% reduction for the division bringing the FY 2010 Base 7.1% below the ongoing FY 2009 General Fund Original Appropriation.					
Governor's Recommendation	0.00	(149,700)	0	229,700	80,000
FY 2010 Base					
Agency Request	392.67	13,409,000	105,000	18,816,500	32,330,500
Governor's Recommendation	392.67	12,378,600	94,400	19,227,700	31,700,700
Benefit Costs					
Provides \$900 per position, which equates to a 10.4% increase for employer-paid health insurance. Also, includes a 19% reduction in life and disability insurance rates from 1.1% to 0.9% of salary for eligible employees. This request also includes a fund shift of \$150,000 to the General Fund from federal funds.					
Agency Request	0.00	303,600	1,200	46,300	351,100
The Governor recommends providing an increase of \$400 per FTP and making changes to the health insurance benefits contract to meet expected costs. Including the rescission to reduce health insurance benefit costs in FY 2009 by \$500 per FTP, employer costs per FTP for FY 2010 will be \$8,600.					
Governor's Recommendation	0.00	104,800	500	46,800	152,100
Inflationary Adjustments					
Inflationary increases are calculated using the ongoing base for operating expenditures and trustee & benefit payments multiplied by an agency-specific inflation factor. The inflationary adjustment reflects a 19.7% increase in the General Fund and a 5.4% increase in total funds. The requested amount includes \$418,400 for general inflation and \$22,900 for contract inflation. This request includes a fund shift of \$278,100 to the General Fund from federal funds.					
Agency Request	0.00	383,000	0	58,300	441,300
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
The replacement items request includes \$505,500 for replacement of 30 vehicles and \$48,000 for replacement of 40 desks and 40 chairs.					
Agency Request	0.00	297,500	0	256,000	553,500
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
Increases the budget by \$1,400 for risk management cost increases.					
Agency Request	0.00	300	0	1,100	1,400
Governor's Recommendation	0.00	300	0	1,100	1,400

Change in Employee Compensation

Agencies were instructed to calculate a 3% salary increase in the appropriation request. This request also includes a fund shift of \$311,500 to the General Fund from federal funds.

Agency Request 0.00 630,500 3,400 96,400 730,300

While increasing salaries of state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2010. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.

Governor's Recommendation 0.00 0 0 0 0

FY 2010 Program Maintenance

Agency Request 392.67 15,023,900 109,600 19,274,600 34,408,100

Governor's Recommendation 392.67 12,483,700 94,900 19,275,600 31,854,200

10. Expanding Academy Training

The department requests \$398,500 in federal funds to expand the capacity of the child welfare training academy through contracting for field trainers from Boise State University. Currently, the child welfare managers from the seven regions are assigned to conduct academy training. The academy is held in Boise at monthly intervals and the travel and time to conduct the training diverts the managers from other critical work in the regions. This request if funded would cover four full-time staff that will be housed in the following regions: one for northern Idaho; 1.5 for southwest Idaho; 0.5 for region five; and 1 for eastern Idaho. The department will use these university positions to:

- Deliver academy training in the regions and in Boise;
- Construct and implement a new model of mentorship and support for new workers;
- Develop new distance learning tools; and
- Participate in evaluation of different training methods.

These funds also will cover all operating costs associated with contractors providing training directly in their regions.

The department states that forty-three percent, or \$171,400, will be covered by federal IV-E with all of the match for IV-E provided by BSU's federally approved rate. Thirty-eight percent, or \$151,400, by federal TANF funds; and nineteen percent, or \$75,700, by federal Child Abuse Prevention & Treatment Act (CAPTA) funds. Since the specified federal funding and the match are provided by BSU, the department states that it will not require any additional General Fund for this program now or in the future. Under the current contract with BSU, TANF covers sixty-one percent of the costs; with the new mechanism proposed by BSU, TANF will supply thirty-eight percent of the budget. [Ongoing]

Agency Request 0.00 0 0 398,500 398,500

Governor's Recommendation 0.00 0 0 398,500 398,500

FY 2010 Total

Agency Request 392.67 15,023,900 109,600 19,673,100 34,806,600

Governor's Recommendation 392.67 12,483,700 94,900 19,674,100 32,252,700

Agency Request

Change from Original App (5.50) 1,245,400 13,400 157,500 1,416,300

% Change from Original App (1.4%) 9.0% 13.9% 0.8% 4.2%

Governor's Recommendation

Change from Original App (5.50) (1,294,800) (1,300) 158,500 (1,137,600)

% Change from Original App (1.4%) (9.4%) (1.4%) 0.8% (3.4%)

Foster & Assistance Payments

Analyst: Castro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2009 Original Appropriation	0.00	13,019,100	27,382,700	0.00	13,019,100	27,382,700
Reappropriation	0.00	782,000	782,000	0.00	782,000	782,000
3. Increase in Child Welfare Receipts	0.00	0	261,700	0.00	(75,000)	25,000
Omnibus Rescission	0.00	0	0	0.00	(350,400)	(731,400)
FY 2009 Total Appropriation	0.00	13,801,100	28,426,400	0.00	13,375,700	27,458,300
Expenditure Adjustments	0.00	(782,000)	(782,000)	0.00	(782,000)	(782,000)
FY 2009 Estimated Expenditures	0.00	13,019,100	27,644,400	0.00	12,593,700	26,676,300
Removal of One-Time Expenditures	0.00	(310,200)	(405,900)	0.00	(310,200)	(405,900)
Additional Base Adjustment	0.00	0	0	0.00	(254,200)	(254,200)
FY 2010 Base	0.00	12,708,900	27,238,500	0.00	12,029,300	26,016,200
Nondiscretionary Adjustments	0.00	21,400	0	0.00	21,400	0
FY 2010 Program Maintenance	0.00	12,730,300	27,238,500	0.00	12,050,700	26,016,200
6. Foster Care Payment Increase	0.00	495,000	855,000	0.00	0	0
14. Casey Family Foundation Contributions	0.00	0	0	0.00	0	295,700
FY 2010 Total	0.00	13,225,300	28,093,500	0.00	12,050,700	26,311,900
Change from Original Appropriation	0.00	206,200	710,800	0.00	(968,400)	(1,070,800)
% Change from Original Appropriation		1.6%	2.6%		(7.4%)	(3.9%)

Foster & Assistance Payments

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2009 Original Appropriation	0.00	13,019,100	776,000	13,587,600	27,382,700

Reappropriation

The General Fund reappropriation of \$782,000 represents unspent monies that were budgeted for reversion after the end of the fiscal year. Spending authority is removed in an FY 2009 expenditure adjustment.

Agency Request	0.00	782,000	0	0	782,000
Governor's Recommendation	0.00	782,000	0	0	782,000

3. Increase in Child Welfare Receipts

Child Welfare is requesting \$291,800 in supplemental spending authority for projected receipts above the legislative appropriation amount; \$30,100 of the increase would be in Child Welfare program with the remaining \$261,700 in Foster Care & Assistance Payment program. The current receipt appropriation in Child Welfare is \$92,200 and the projected collections are \$122,300, resulting in \$30,100 of the receipt request. Current receipt appropriation in Foster Care Assistance is \$680,300 with anticipated collections to be \$942,000, resulting in \$261,700 of the receipt request.

The anticipated higher receipts are mainly due to two areas:

1) Casey family donations of \$200,000. The FY 2009 appropriation included \$95,700 of one-time receipts from the Casey donation, therefore the department is requesting the additional \$104,300 spending authority for the difference.

2) Individual payments. The department receives child support and social security for those children that are eligible. These payments are deposited into a trust fund for the child. However, these payments are usually not received at the same time the child is in foster care. Therefore, the state has paid for costs that need to be reimbursed by the trust. The child support and social security receipts have been increasing so the department is able to cover the expenses the state has paid on the child's behalf. The department estimates \$187,500 will cover this increase in receipts due to individual payments.

Agency Request	0.00	0	261,700	0	261,700
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The Governor also recommends an increase in dedicated fund spending authority offset by reductions in the General Fund and federal funds because the department has additional dedicated funds available from contributions from Casey Family Foundation and higher than anticipated collections in child support and social security income payments.

Governor's Recommendation	0.00	(75,000)	275,100	(175,100)	25,000
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Omnibus Rescission

Agency Request	0.00	0	0	0	0
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General Fund holdbacks, as directed by Executive Orders 2008-3, and 2008-5, are incorporated as a rescission that reduces the General Fund by 4% for FY 2009.

Governor's Recommendation	0.00	(350,400)	0	(381,000)	(731,400)
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FY 2009 Total Appropriation

Agency Request	0.00	13,801,100	1,037,700	13,587,600	28,426,400
Governor's Recommendation	0.00	13,375,700	1,051,100	13,031,500	27,458,300

Expenditure Adjustments

Removes General Fund reappropriation.

Agency Request	0.00	(782,000)	0	0	(782,000)
Governor's Recommendation	0.00	(782,000)	0	0	(782,000)

FY 2009 Estimated Expenditures

Agency Request	0.00	13,019,100	1,037,700	13,587,600	27,644,400
Governor's Recommendation	0.00	12,593,700	1,051,100	13,031,500	26,676,300

Removal of One-Time Expenditures

Agency Request	0.00	(310,200)	(95,700)	0	(405,900)
Governor's Recommendation	0.00	(310,200)	(95,700)	0	(405,900)

Foster & Assistance Payments

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Additional Base Adjustment					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends an ongoing base reduction to balance the state budget. This represents an additional 2.9% reduction for the division bringing the FY 2010 Base 7.1% below the ongoing FY 2009 General Fund Original Appropriation.</i>					
Governor's Recommendation	0.00	(254,200)	0	0	(254,200)

FY 2010 Base					
Agency Request	0.00	12,708,900	942,000	13,587,600	27,238,500
Governor's Recommendation	0.00	12,029,300	955,400	13,031,500	26,016,200

Nondiscretionary Adjustments

Provides General Funds to replace federal funds due to a reduction in the Federal Medical Assistance Percentage (FMAP) from 69.795 to 69.493%. The FMAP is used in determining the amount of federal matching funds for state expenditures for assistance payments for certain social services.

Agency Request	0.00	21,400	0	(21,400)	0
Governor's Recommendation	0.00	21,400	0	(21,400)	0

FY 2010 Program Maintenance					
Agency Request	0.00	12,730,300	942,000	13,566,200	27,238,500
Governor's Recommendation	0.00	12,050,700	955,400	13,010,100	26,016,200

6. Foster Care Payment Increase

The department is requesting \$855,000 of which \$495,000 is from the General Fund to pay for a 15% increase in the foster care reimbursement rate. Idaho ranks in the bottom five of all states for payment to foster homes, based on a 2007 study by the University of Maryland School of Social Work.

In reviewing the various national and regional surveys of foster and residential care payments, the department recommends that the state raise payments to assure adequate coverage for basic needs and to improve the recruitment and retention of foster families. According to surveyed Idaho's foster parents, the existing level of reimbursement only covers half of the actual cost incurred in caring for a child. This results in foster parents subsidizing the state's foster care program by using their own financial resources to meet the needs of children who are the legal and financial responsibility of the state.

The current and proposed monthly rates for foster care payments are:

- 1) Two through eight years of age: \$274 per month, the proposed rate is \$315.
- 2) Nine through 15 years of age: \$300 per month, the proposed rate is \$345.
- 3) 16 years and older: \$431 per month, the proposed rate is \$496.

Of the \$855,000 requested, the department estimates that it can claim about \$360,000 in federal IV-E funds. This amount is based on a 60% penetration rate and a 70% federal maintenance share ($\$855,000 \times 0.6 \times 0.7 = \$360,000$). The remaining \$495,000 must come from state General Funds. [Ongoing]

Agency Request	0.00	495,000	0	360,000	855,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

14. Casey Family Foundation Contributions

Agency Request	0.00	0	0	0	0
<i>The Governor recommends an increase in dedicated fund spending authority one-time for anticipated Casey Family Foundation contributions in FY 2010.</i>					
Governor's Recommendation	0.00	0	295,700	0	295,700

FY 2010 Total					
Agency Request	0.00	13,225,300	942,000	13,926,200	28,093,500
Governor's Recommendation	0.00	12,050,700	1,251,100	13,010,100	26,311,900

Foster & Assistance Payments

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	0.00	206,200	166,000	338,600	710,800
% Change from Original App		1.6%	21.4%	2.5%	2.6%
Governor's Recommendation					
Change from Original App	0.00	(968,400)	475,100	(577,500)	(1,070,800)
% Change from Original App		(7.4%)	61.2%	(4.3%)	(3.9%)